



STATE BOARD OF EQUALIZATION

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Controller, Sacramento

DOUGLAS D. BELL
Executive Secretary
No. 85/70

June 13, 1985

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 5

Following are brief summaries of legislation introduced or amended during the 1984-85 regular session of the Legislature. These measures relate to the Revenue and Taxation Code or otherwise to the assessing function.

AB 266

Author: Assembly Member Hannigan

Action: Amended in Assembly

Date: May 20, 1985

Affected Code Section: Amends Sections 75.12, 214 and 2189.3 of the Revenue and Taxation Code.

As originally introduced and amended, this bill would delete from Section 75.12 the provision that rules adopted by the Board pursuant to this section shall not be subject to review by the Office of Administrative Law. It would also extend the welfare exemption to property owned by an educational institution of collegiate grade meeting specified requirements, which is leased for use exclusively for hospital purposes, and make various technical clarifying changes in provisions relating to the welfare exemption.

This bill now includes a provision that specifies that the exemption for property used exclusively for housing facilities for elderly or handicapped families is available if supplemental care or services are provided at the property, or if the property is financed by the federal government under specified laws, irrespective of whether the property is occupied by low and moderate income persons.

A second provision added to this bill permits an assessor, with board of supervisors' approval, to issue a certificate to a taxpayer owning personal property on the unsecured roll and real property on the secured roll, and the personal property is not located on the real property, attesting to the fact that the real property is sufficient to secure the payment of the tax.

AB 1412

Author: Assembly Member Wyman

Action: Amended in Assembly

Date: May 7, 1985

Affected Code Sections: Amends Section 72 of the Revenue and Taxation Code.

This bill would extend the exclusion of active solar energy systems from the definition of "newly constructed" through the lien date for the 1990-91 fiscal year and would repeal these provisions as of January 1, 1991.

AB 1591

Authors: Assembly Members Moore, Bradley, and Eaves

Action: Amended in Assembly

Date: April 23, 1985

Affected Code Sections: Adds Section 73.5 to the Revenue and Taxation Code.

This bill provides that "newly constructed" does not include any soundproofing on residential property, as defined, the installation of which is completed on or after the operative date of this bill providing it is made pursuant to an airport noise soundproofing program, as specified, or is undertaken pursuant to a program or study developed in accordance with federal regulatory provisions. It would apply only to existing residential property which was constructed and available for use prior to the operative date of this bill. This bill would become operative only if Assembly Constitutional Amendment 17 is adopted by the voters.

AB 2091

Author: Assembly Member Farr

Action: Amended in Assembly

Date: April 29, 1985

Affected Code Section: Amends Section 17240 of the Revenue and Taxation Code.

As originally introduced this bill would have affected certain aspects of equalization hearings. As amended, this bill addresses income tax procedures only. We have no further interest in this bill and will discontinue following it in its present form.

AB 2419

Author: Assembly Member Eaves

Action: Amended in Assembly

Date: April 18, 1985

Affected Code Sections: Amends Sections 6357, 7380, 8101.5, and 8352.3, and amends and repeals Section 213.6 of the Revenue and Taxation Code.

This bill would extend the exemption of personal property taxes for organizations whose purposes are to provide adequate facilities to assist in meeting local and national emergencies and to promote the public welfare and provide aviation and aerospace education and training until the lien date in 1990.

ACA 17

Author: Assembly Member Moore

Action: Amended in Assembly

Date: April 22, 1985

Affected Code Section: Amends Section 2 of Article XIII A of the Constitution.

June 13, 1985

This measure would permit the Legislature to provide that the term "newly constructed" does not include the installation of soundproofing on residential property when the installation is sponsored by an airport or a local government or is undertaken in accordance with federal law governing airport noise compatibility planning. (See AB 1591 above.)

SB 508

Authors: Senators Rosenthal and Petris

Action: Amended in Senate

Date: May 7, 1985

Affected Code Sections: Amends Section 11126 of the Government Code, and Section 830 of the Revenue and Taxation Code.

Existing law provides, with specified exceptions, that meetings of state agencies shall be open and public. This bill would additionally provide that those laws are not to be construed to prevent the State Board of Equalization from holding closed sessions for the purpose of hearing confidential taxpayer appeals or data, the public disclosure of which is prohibited by law.

Under existing law, property statements for state-assessed property owned, claimed, used, controlled or managed by a person or legal entity must be furnished on request by the State Board of Equalization. It provides for a penalty for failure to timely file the property statement at specified varying amounts, not to exceed \$5,000,000 of full value. This bill would change that maximum penalty amount to \$20,000,000 of full value.

SB 577

Author: Senator Mello

Action: Amended in Senate

Date: May 2, 1985

Affected Code Sections: Amends Section 903 and adds Section 908.5 to the Pajaro Valley Water Management Agency Act.

Among other provisions existing law requires a statement and map or plot be filed with the State Board of Equalization and the local assessor by January 1 in order for newly formed local jurisdictions to exercise assessment and taxation authority for the fiscal year commencing on the following July 1. This bill would provide that, notwithstanding the filing deadline, the formation of the Pajaro Valley Water Management Agency pursuant to the Pajaro Valley Water Management Agency act is effective for assessment and taxation purposes if the required filing is made prior to July 31, 1985.

SB 916

Authors: Senators Keene and Nielsen

Action: Introduced in Senate

Date: March 6, 1985

Affected Code Section: Amends Section 4789.3 of the Public Resources Code.

TO COUNTY ASSESSORS:

-4-

June 13, 1985

This bill requires the Director of Forestry to consult with the State Board of Equalization as part of preparation of an annually required assessment and critique of federal policies with respect to rangeland and timberland.

SB 917

Author: Senator Vuich

Action: Amended in Senate

Date: April 24, 1985

Affected Code Sections: Amends Sections 722 and 2192 of the Revenue and Taxation Code.

This bill would change the lien date from March 1 to January 1. This bill specifies that annual adjustments in the full cash value base of property be made in the first year following the lien date change for the 10 month period as if it were 12 months. This bill would apply to the 1987 lien date and all subsequent lien dates and to property taxes levied for the 1987-88 fiscal year and fiscal years thereafter.

SB 971

Author: Senator Ellis

Action: Amended in Senate

Date: April 24, 1985

Affected Code Section: Adds Section 220.5 of the Revenue and Taxation Code.

This bill would exempt from property taxation any aircraft of historical significance, as defined. This bill would provide for the conditions under which the exemption would not apply and the requirements for claiming the exemption, including the imposition of an initial fee.

Copies of each of these measures are enclosed for your information.

Sincerely,



Verne Walton, Chief
Assessment Standards Division

VW:wpc
Enclosures
AL-04D-2427A